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UNITED STATES DEPARTMENT OF AGRICULTURE  
Rural Electrification Administration  
Washington 25, D. C.

April 1947

NEWSLETTER TOPICS

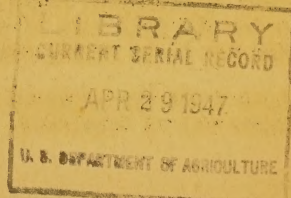
KNOW YOUR COOPERATIVE  
(Sixth of a Series)

Q. WHAT ARE THE RESPONSIBILITIES OF THE BOARD?

- A. As the elected representatives of the co-op members, the directors or trustees make up the board, which is responsible for seeing that the manager conducts the business in a manner that will protect the interests of all of the co-op owners, both present and prospective; for establishing sound operating policies; for planning ahead effectively; for establishing a program of member education in cooperation and in power use; for supervising the day-by-day management and checking on expenditures.

Q. CAN THE BOARDS'S RESPONSIBILITIES BE DESCRIBED IN MORE DETAIL?

- A. The board's overall responsibilities cover too broad a field to describe them here in complete detail, but co-op members can get an idea of what is expected of their directors from the following general outline. The board should, of course, understand cooperative principles and methods. It should be familiar with and adhere to all provisions of the by-laws in supervising the co-op's business. It should determine the co-op's immediate and long range goals and plan an orderly program for their attainment. It should acquaint itself with the REA program and policies. It arranges for REA loans to carry out the co-op program and has the duty to see that all terms incorporated in loan agreements are complied with. With the guidance of co-op attorneys, it should keep informed of all laws and regulations applicable to REA co-ops and make sure that they are observed by the co-op's management. It is entrusted with control over the co-op's finances and should permit the expenditure of funds only for purposes it has approved and provided proper authorizations. It must let all contracts, or provide authorizations for construction to be carried out by other methods. It must pass upon all membership applications and terminations. It is up to the board to keep the members informed of the co-op's progress and problems and of the advantages they are receiving through joint ownership and operation of their cooperative enterprise. It has the obligation to encourage the member-owners to participate fully in democratic control by attending the annual business meetings of the members and exercising their right to elect directors of their own choice by secret ballot. It must conduct a good public relations program that will inform all of the people in its service area of the co-op's contributions to the social and economic life of the community.





Q. CAN BOARD MEMBERS AFFORD TO GIVE ENOUGH OF THEIR TIME TO MEET THESE RESPONSIBILITIES?

A. The board is not called upon actually to manage the co-op's affairs in detail. Its duties in discharging its responsibilities are supervisory rather than administrative. One of its major tasks is the employment of a qualified person to manage the business, under the board's supervision. It is the manager's duty to carry out the board's instructions through appropriate administrative action. The board's active duties are to understand thoroughly its responsibilities, provide the manager with the necessary instructions and authority to carry them out, and cooperate with him closely to see that the business is conducted efficiently within the management policies it has authorized and defined for his guidance.

Q. IS IT WISE FOR THE MEMBERS TO GRANT POLICY-MAKING AUTHORITY TO THE BOARD.

A. It would be unwise not to. The board must work closely with the manager at all times to insure efficient operation of the business. Minor problems involving policy are sure to arise, and on-the-spot decisions must be made to avoid expensive delays that would result from withholding action until a full meeting of the members could act. However, the board is at all times accountable to the members, and any policy set by it is subject to later review by the membership. When policy decisions of major importance are involved the board is, of course, under legal obligation to submit them for full member action either at regular or special meetings. On routine matters it is better practice for the board to have authority to act itself and report to the members later.

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REA's 12th ANNIVERSARY IS  
BILLION-DOLLAR BIRTHDAY

When Administrator Wickard approved a loan of \$145,000 to the Monroe County Rural Electric Cooperative, Waterloo, Illinois, on March 18, REA paved the way for a billion-dollar birthday on the occasion of its 12th anniversary on May 11, as this loan brought total allocations by REA to \$1,000,068,389 since the Agency was established on May 11, 1935.

REA loans have been approved for 1,011 borrowers, including 931 cooperatives, 40 public power districts, 20 other public bodies and 20 power companies. Of the cooperatives, 894 are organized to furnish electric service and 37 are concerned only with refrigerated locker plants.

More than 95 percent of REA's approved loans have been allocated to rural electric cooperatives organized by farmers who needed electric service. REA loans cover the full cost of constructing new power facilities, bear 2 percent interest and are to be repaid over a 35-year period. No grants are made.

Loan funds are advanced to borrowers by REA only as needed to pay for construction under way or completed. Total advances against loan contracts amount to more than



\$625,000,000. As of January 1, 1947, borrowers had paid \$126,098,602 in principal and interest on their loans. This included \$20,052,590 repaid on principal in advance of the time it was due, and only \$892,941 was overdue as much as 30 days. More than 600 of the 1,011 borrowers had made advance payments on their loans.

Your co-op is typical of the farmer-owned enterprises that have helped make this enviable record. We have received total loan allocations of \$ \_\_\_\_\_ from REA, of which \$ \_\_\_\_\_ has been advanced. We have paid the Government a total of \$ \_\_\_\_\_ in principal and interest, of which \$ \_\_\_\_\_ was repaid on principal in advance of the time it was due. We now have \_\_\_\_\_ miles of lines in operation and are serving \_\_\_\_\_ consumers. The \$ \_\_\_\_\_ in loan funds not yet advanced will provide for an additional \_\_\_\_\_ miles of lines that will serve \_\_\_\_\_ new consumers. Our complete area coverage plans call for a system that will ultimately bring service within reach of every one of the \_\_\_\_\_ farms and rural establishments in our service area.

Shortages of materials, particularly (Name articles that have affected your construction program most) \_\_\_\_\_, have retarded our construction program and prevented us from extending service to new consumers as rapidly as we would like. The present trend is toward an easement of material bottle necks and we hope for a general speedup in these activities during coming months.

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#### ELECTRICITY REDUCES ACCIDENT HAZARDS WHEN HANDLED PROPERLY

The Safety Council of the U. S. Department of Agriculture is conducting a "Farming Safely With Electricity" campaign that is designed to point up the fact that electricity on the farm can be a positive help to farm safety when it is properly installed and carefully handled.

Hazards on the farm, as elsewhere, are likely to be influenced by availability of light, heat and power. Insufficient light at points where it is needed invite falls. Oil or gasoline used to produce light bring the fire hazard that accompanies the handling of inflammable liquids and their use in open flame burners. Heat needed for cooking and to produce hot water for household, dairy room and other uses, creates risks of a similar character, as also does a power plant that uses combustible substances for fuel.

Electricity practically eliminates all of these hazards when it is properly installed and handled and, in addition, provides you with valuable fire protection when you have it harnessed to an adequate water supply through an efficient pump.

An adequate, properly installed wiring system is essential if you are to receive the maximum in safe service from your electricity. Appliance installations must be correctly made and properly grounded. Have all wiring, wiring extensions and installations done by qualified electricians and inspected. Avoid use of makeshift extension cords. Use only weatherproof insulation in outside wiring and



wiring in basements or other damp places. Unless you have automatic circuit breakers, use nothing but fuse plugs of the right capacity on all circuits. Place switches, appliances and outlets in kitchens and bathrooms out of reach of sinks, bathtubs and lavatories. Ground frames of washing machines in damp places to water pipe or ground rod. Disconnect all appliances when not in use. Protect light bulbs near hay or other inflammable materials with guards to prevent shattering. Inspect wiring and equipment periodically and have repairs made as needed. Cut off the current when working on wiring or appliances. Be safety conscious at all times when using power.

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#### HAY DRIERS ARE EASY TO PLAN AND INSTALL

A barn type hay drier will eliminate the element of chance from hay curing and more than pay for itself by preventing rain damage in the field and through increasing the feed value of stored hay. As the materials needed are in reasonably good supply and installation is not too difficult, there is still ample time to install a drier to handle your 1947 cuttings.

Farm labor can build the air ducts, which make up the principal part of the installation. Lumber needed is of the common type usually stocked by all lumber yards. Mechanical equipment consists of special fans of the centrifugal or radial type, driven by motors of from 3 to  $7\frac{1}{2}$  horsepower, depending upon the size of the hay mow. All of the electrical installation work should be done by a competent electrician.

\_\_\_\_\_ of \_\_\_\_\_ installed a hay drier \_\_\_\_\_ years ago, and will be glad to have you talk with him. We will be glad to discuss your hay drying problem with you. When you call, bring a rough sketch of your hay mow showing floor dimensions and center and sidewall heights so that its capacity can be measured in cubic feet. With this information, correct dimensions for the air ducts can be computed, the right sizes of fans and motors determined, and plans and specifications can be adapted to your needs.

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#### NEW 10 LB. ALLOTMENTS ON SUGAR STAMPS INCLUDE CANNING ALSO

A brief explanation of present regulations governing sugar rationing may serve to clear up any misunderstanding that exists on the part of some of our readers.

Stamp No. 11 in your ration books became valid on April 1 and will continue in force until the end of the second 1947 period, which will probably be June 30. The third period is expected to expire some time in October, but the stamp that will be validated for that period has not been designated.



Bear in mind that each valid stamp No. 11 is good for 10 pounds of sugar instead of the 5-pound allotment per person that formerly prevailed. This will also apply to the third period stamp to be validated when No. 11 expires.

No special canning sugar allotments are to be made during 1947. The 10-pound allotments authorized for each valid stamp during the second and third periods of the year must cover both household and canning uses during those periods. With sugar that will become available to householders during the final quarter, each will receive a greater quantity during 1947 than they received during 1946 through their regular and canning allotments combined.

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### YOUR ELECTRIC WATER SYSTEM INSURES GOOD GARDEN GROWTH

This is the time to make sure of a green and flourishing garden all summer long, regardless of dry spells, by lining up your own garden watering system.

Even in seasons when total rainfall is adequate, short periods of drouth will cut down yields before rain comes and the dry spell is broken. But if you are prepared to put as much as one inch of water a week on part or all of your garden, during such dry spells, production can be increased from two to ten times.

Essentials for a garden watering system include a good well or other source of water supply, an electric pump or pressure water system which will deliver at least 350 gallons of water an hour and a sprinkler or some other means of distributing the water over the garden. If you wish to install a garden watering system this summer, we will be glad to advise you further. Or you could talk with \_\_\_\_\_ and \_\_\_\_\_, who put water on their gardens last year.

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### SOME GOOD EXAMPLES OF NEWSLETTER ITEMS

#### Board of Directors Meeting - February 6th

All directors were present except Campman Anderson and Ben Fenstad. Previous meeting's minutes were read and approved.

Letters from REA were read, approving the retail rates recommended by the Board of Directors and adopted at the Annual Meeting. It was decided that the new rates would take effect the 21st day of March 1947, the first bills under the new rate becoming payable on April 20th. Seasonal rates for summer consumers were discussed.



A letter from Mr. Cutcliffe was read giving information on how much power our lines can handle.

A letter from the State Department of Conservation in regard to easements was read.

The advantages of a blanket bond over our present bond were discussed.

Applications for membership and electric service were accepted from:  
Earl West, Jr., Theodore Farver, James L. Crayen, W. J. Craven, James H. Costley,  
Mrs. Andrew W. Salakka and Gilos J. Wesley.

Paying unemployment insurance tax was discussed.

The following bills were allowed paid:

Total Payroll for January.....	\$1,194.02
Emerg. Main. Res. Fund.....	85.92
Material for line store.....	93.16
F.O.A. tax & Empl. Inc. tax...	442.53
Truck Exp. & Hired Autos.....	54.74
Garage & Office rents.....	55.00
Material for resale.....	345.52
Refund. Spec. Constr. Fund....	1,222.62
Tools & Equipment.....	69.62
Poles.....	541.50
Redeem Stock certificates.....	5.00
Directors fees & mileage.....	23.80
Employees group insurance.....	17.57
Purchased Power (Doc.).....	978.20
Prin. & Int. Payment.....	2,782.88
Movers.....	393.70
Annual Meeting.....	75.91
Adding Machine.....	132.40
Insurance.....	477.97
New Meter Books.....	82.19
Misc. Expenses.....	56.48
	<u>\$8,785.78</u>

Next regular meeting--March 6th, 1947 at 7 P.M.

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We are happy to report that Jim Driscoll's injury is pretty well healed and he expects to be back on the job soon. (Cooperative Light & Power Assn. of Lake County, Two Harbors, Minn.)